

San Diego City Attorney MICHAEL J. AGUIRRE

NEWS RELEASE

FOR IMMEDIATE RELEASE: September 6, 2005

Contact: Maria Velasquez, Communications Director: (619) 235-5725 (pager & voicemail) mvelasquez@sandiego.gov

CITY ATTORNEY GIVEN GREEN LIGHT TO PROTECT CITIZENS FROM PRICE GOUGING IN WAKE OF HURRICANE KATRINA

EMERGENCY ORDINANCED UNANIMOUSLY APPROVED BY CITY COUNCIL

San Diego, CA: The San Diego City Council unanimously passed an emergency ordinance that protects consumers from unfair price spikes during and after natural and manmade disasters. This action was taken in response to a dramatic rise in fuel costs across the nation due to Hurricane Katrina. The ordinance makes it a misdemeanor to excessively increase the price of gas and other necessary consumer goods without justification.

"We will use the resources in the City Attorney's Office to protect San Diegans against gas gouging," said City Attorney Aguirre. "No one should make money off the tragic events on the gulf coast."

The emergency ordinance takes effect immediately. Tomorrow, investigators from the Consumer and Environmental Protection Unit in the City Attorneys' Office will be in the field to investigate potential price manipulation.

Under the new city ordinance, the penalties for price manipulation are six months in jail and/or \$1,000 a day for each violation. Service station owners are also subject to unfair business practice claims under the State Business and Professions Code.

Last Friday, the City Attorney drafted the ordinance at the request of Councilmember Donna Frye. At today's city council meeting Frye applauded the City Attorney's Office for its quick action to protect San Diego consumers.

###